



# HANDOUTS

## Long-Term Care System Task Force

September 16, 2004

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Iowa Association of Homes and Services for the Aging

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**Statement By  
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Government Relations  
Iowa Association of  
Homes & Services for the Aging**

**Long-Term Care System Task Force  
Thursday, September 16<sup>th</sup>, 2004  
Des Moines, IA**

Since 1964, the Iowa Association of Homes and Services for the Aging has represented providers of high quality healthcare, housing and services for seniors. Our faith-based, mission-oriented and community-sponsored members number 128 nonprofit nursing facilities, continuing care retirement communities, senior housing, residential care facilities, and assisted living facilities serving over 12,000 Iowa seniors. In addition, IAHSA members are home and community-based service providers who serve over 6,000 seniors annually.

The IAHSA mission is to inspire leadership and benevolence in our members through networking, education, information and advocacy.

IAHSA supports the national program of Quality First. Quality First is a philosophy of quality and a framework for earning public trust in aging services. Quality First is a renewal of the commitment of aging services providers to help older adults and their loved ones live their lives to their fullest potential. Through Quality First, we will work in partnership with all stakeholders – government, consumers, and the people served and their families – to create quality of care and quality of life in aging services. Consumers

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*Representing not-for-profit health care, housing and service providers*



must feel confident that they are receiving the high quality care and services they deserve.

**Mission Statement:**

Iowa Code 249H: Goal of Iowa's Senior Living Program Act enacted in 2000:

*The goal of this program is to create a comprehensive long-term care system that is consumer-directed, provides a balance between the alternatives of institutionally and noninstitutionally provided services, and contributes to the quality of the lives of Iowans.*

IAHSA supports the stated goal of the Senior Living Program Act. IAHSA also recognizes and supports Iowa seniors' autonomy and agrees the long-term care system should be consumer-directed. Since the Iowa Senior Living Program was enacted in 2000 progress has been made in rebalancing the long-term care system.

- ❖ The proportion of Medicaid spending on home and community-based services is growing. According to data from the Department of Human Services to the Medical Assistance Crisis Intervention Team the average number of eligibles on the elderly waiver has increased from 208,623 in 2000 to 281,083 in 2004.

Any future rebalancing efforts should consider the entire continuum of services from housing "independent living" to nursing facility placement, rather than focus on any one



piece of the system. To better serve a wider population of consumers, many nursing homes are beginning to provide community-based as well as institutional services.

### **Barriers:**

However, barriers to a diversified and integrated system of aging services remain:

- ❖ Funding for home and community-based services is fragmented and not adequate to meet demand. As many as 40 different programs provide funds for services, each with different regulations, eligibility and reporting requirements. (See attachment A)
- ❖ People with disabilities generally need affordable housing, supportive services and transportation as well as health care in order to remain in community settings. The disability population is also aging and lacking in services. While the population of elders and people with disabilities continues to grow, programs under the Older Americans Act, Social Services Block Grants, and senior housing and transportation have been flat-funded for the past several years. These programs need significant increase in funding to keep pace with growing needs.
- ❖ Creating another business or activity in a nursing home is difficult. Iowa Administrative Code Chapter 58 creates a hurdle for nursing homes to create another business in the nursing home. The other business must have a separate



entrance and must be approved by the Department of Inspections and Appeals and the State Fire Marshall.

❖ The transfer criteria in assisted living may need to be reviewed. If approved by CMS and acted upon by the legislature, the level of care required to qualify for Medicaid nursing facility services may be increased. This may create a need for review of the retention and transfer criteria in assisted living. In reviewing the criteria, Iowa needs to be careful not to create “little nursing homes” with prescriptive regulation so that costs may match those of a federally certified nursing facility.

#### **Recommendations:**

- ❖ One way to "naturally" re-balance the long-term care system is to re-evaluate and upgrade home and community based service rates.
- ❖ Iowa should continue the modified-price case-mix reimbursement methodology of payment of services in nursing facilities. The case-mix system provides incentives to encourage quality of care, enhance quality of life for residents, and increases access to appropriate care.
- ❖ In order to grant access to assisted living by low-income seniors, Iowa needs a Medicaid Waiver for Assisted Living services that is simple, easy to access and offers adequate reimbursement to encourage providers to offer the service. IAHTSA



supports the development of an assisted living vendor payment based on a “tiered rate” structure, which more accurately reflects the costs of care and more fairly reimburses assisted living programs for the services. This system is already used in several states.

- ❖ Iowa should implement a uniform assessment throughout the continuum of long-term care. The assessment tool should be completed by trained professionals. In determining who should be assessed and when they should be assessed, Iowa must recognize that the average age for an assisted living tenant and a nursing home resident is 83 years of age.
- ❖ Enhanced consumer education is needed to let Iowans know where to and how to search for long-term care services.
- ❖ The Federal Government may soon consider requiring all certified nursing facilities and skilled nursing facilities to be fully sprinklered. This may be an opportunity for the State of Iowa to evaluate if additional dollars should be spent in nursing facilities. The requirement of sprinkler systems in all nursing facilities regardless of construction type presents a very large cost to Iowa. This would be an appropriate time to evaluate which low occupancy facilities should continue operation with the investment that will be required.



In rebalancing and funding home and community-based services, the State of Iowa must not compromise the safety net provided by nursing homes for the most needy and vulnerable population. All Iowans currently have access to quality nursing home services close to home throughout the State of Iowa which allows continued contacts with family and friends which is so important in our last years. As noted earlier the case-mix reimbursement methodology has created and supported a safety net for the frail elderly while assuring the dollars are spent on care. It is important to remember that the Medicaid "crisis" is in part due to the increased expenditures in pharmaceuticals and the increase of eligibles, not nursing home or community-based service expenditures.

We look forward to working with you as we move forward to serve Iowa's elderly population.

Thank you!

# Attachment A

## Programs and Funding Agencies:

State and locally funded programs - 50+ different programs

### HHS/CMS Medicaid

- ❖ state programs - personal care option, home health/home care, targeted case management, ticket to work/work incentives programs, transportation
- ❖ waiver programs - 1115, 1915c, 1915b, Independence Plus consumer directed, almost 300 different programs
- ❖ demonstrations - cash and counseling, money follows the person, nursing facility transition, real systems change grants

### HHS/CMS Medicare

- ❖ Home health
- ❖ Hospice care
- ❖ Adult day and Homebound demonstrations

### HHS/AoA - Older Americans Act programs

- ❖ Senior Centers and Support Services,
- ❖ Congregate and Home Delivered meals,
- ❖ Family Caregiver Program
- ❖ Information and referral
- ❖ Native American Programs
- ❖ Alzheimer's Initiative
- ❖ Preventive Health
- ❖ Legal and Protective services

### HHS/SSBG

- ❖ range of programs and services decided by states used for elderly in about half the states

### HHS/Substance Abuse and Mental Health - programs include:

- ❖ Mental Health Block Grant
- ❖ Grants to states for homeless
- ❖ Substance abuse block grant

### HHS/Low Income Home Energy Assistance

### HHS/Developmental Disabilities Program

## **HUD**

- ❖ CHSP (Community Housing and Services Program)
- ❖ Affordable assisted living program
- ❖ 202, Section 8, 236 Housing
- ❖ Service Coordinator program

## **Dept. of Labor - Title V of OAA**

- ❖ Community Services Employment

## **Veterans Administration**

- ❖ Community Residential Care
- ❖ Adult day health
- ❖ Housebound and Aid and Attendance Allowance Program (first cash allowance program)

## **Dept. of Education**

- ❖ Independent Living Centers

## **Dept. of Agriculture**

- ❖ Nutrition programs
- ❖ demonstrations and programs for rural health/support services and networks

## **Dept. of Transportation**

- ❖ Section 5310: Transportation for Elderly and Persons with Disabilities.